

U.S. DISTRICT COURT
WESTERN DISTRICT OF LOUISIANA
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LAFAYETTE, LOUISIANA

UNITED STATES DISTRICT COURT

WESTERN DISTRICT OF LOUISIANA

LAFAYETTE DIVISION

UNITED STATES OF AMERICA	*	CRIMINAL NO. 12-cr-00146-002
	*	
VERSUS	*	JUDGE FOOTE
	*	
DREW T. GREEN	*	MAGISTRATE JUDGE HANNA

STIPULATED FACTUAL BASIS FOR GUILTY PLEA

NOW INTO COURT, comes the United States Attorney's Office for the Western District of Louisiana, through the undersigned Assistant United States Attorney, and the defendant, DREW T. GREEN, represented by his undersigned counsel, and for the purposes of providing the Court with a factual basis for a plea agreement pursuant to Rule 11 of the Federal Rules of Criminal Procedure, stipulate as follows:

From on or about the 1st day of March 2011, until on or about the 25th day of July 2012, in the Western District of Louisiana and elsewhere, the defendant DREW T. GREEN did knowingly and intentionally combine, conspire, confederate and agree with NUTRAGENOMICS MFG L.L.C., THOMAS WILLIAM MALONE, Jr., MOUNTAIN INDUSTRIES L.L.C., BLUE SKY INTERNATIONAL BROKER L.L.C., ALEXANDER DERRICK REECE, PINNACLE PRODUCTS L.L.C., PINNACLE PRODUCTS GROUP, BOYD ANTHONY BARROW, JOSHUA ESPINOZA, CURIOUS GOODS L.L.C., RICHARD JOSEPH BUSWELL, RETAIL COMPLIANCE ASSOCIATION, DANIEL PAUL FRANCIS, RESEARCH TRIANGLE PARK LABS, INC., ALSTON SYKES, PATRICK J. CHAUVIN, with other persons known and unknown to possess with the intent to distribute not less

than four thousand (4,000) kilograms of a mixture and substance containing a detectable amount of AM-2201, JWH-081, JWH-250, and UR-144, all Schedule I controlled substance analogues as defined in 21 U.S.C. § 802 (32)(A), knowing that the substance was intended for human consumption as provided in 21 U.S.C. § 813, all in violation of Title 21, United States Code, Sections 846, 841(b)(1)(C), 813, and 802(32)(A).

Drew GREEN and THOMAS WILLIAM MALONE, Jr. were the owners of NUTRAGENOMICS MFG L.L.C. ("NutraGenomics"). During the time of the conspiracy charged in Count 1 of the Superceding Indictment, NutraGenomics distributed and sold not less than 1,400 kilograms of Schedule I controlled substance analogues of JWH-018 that included AM-2201, JWH-081, JWH-250, and UR-144 ("synthetic cannabinoids") to customers in approximately 25 states throughout the United States including the Western District of Louisiana. These substances are known as synthetic cannabinoids and are synthetic drugs intended to be ingested with purpose of getting the consumer "high". During the time of the charged conspiracy, customers of the synthetic cannabinoids sold by NutraGenomix paid NutraGenomics not less than \$10,000,000.00. The purchasers of the synthetic cannabinoids sold by NutraGenomics infused them into a vegetable material that resembled marijuana. The finished product was sold in head shops, gas stations, convenience stores, and tobacco shops throughout the United States, to include the Western District of Louisiana. The synthetic cannabinoids were sold by NutraGenomics to its purchasers with the sole purpose of getting the ultimate consumer "high" through ingesting the synthetic cannabinoids like one would do with tobacco or marijuana. NutraGenomics received its supply of synthetic cannabinoids from individuals and companies located in China and from a company located within the Untied States. A large

percentage of the of the Schedule I controlled substance analogues of JWH-018 that included AM-2201, JWH-081, JWH-250, and UR-144, that NutraGenomics received was supplied by ALEXANDER DERRICK REECE through the companies MOUNTAIN INDUSTRIES L.L.C. and BLUE SKY INTERNATIONAL BROKER L.L.C. While NutraGenomics was based in Georgia, NutraGenomics stored the majority of its synthetic cannabinoids in California in order to evade the more strict Georgia state laws that targeted synthetic cannabinoids. NutraGenomics utilized their California storage facility as a point of delivery for the synthetic cannabinoids that they imported from China and received from ALEXANDER DERRICK REECE through the companies MOUNTAIN INDUSTRIES L.L.C. and BLUE SKY INTERNATIONAL BROKER L.L.C. The bulk sales of the synthetic cannabinoids sold by NutraGenomics were mailed directly from their California facility to their customers throughout the United States.

Prior to March of 2011, NutraGenomics sold JWH-018 in bulk throughout the United States. In anticipation of both Federal and State law banning this substance, NutraGenomics stopped selling JWH-018 and began selling AM-2201, JWH-081, JWH-250, and UR-144. NutraGenomics shifted to these synthetic cannabinoid substances with the intent of selling a substance that was substantially similar in both chemical structure and effect on the central nervous system. NutraGenomics shifted to these new substances with the intent of staying one step ahead of the legislation enacted to ban JWH-018. The strategy of NutraGenomics, and that of the synthetic cannabinoid industry as a whole, was to anticipate legislation aimed at banning a specific synthetic cannabinoid substance and slightly alter that particular banned substance, so as to technically create a new substance not specifically addressed by the legislative ban. The effect, and or intended effect, on the

central nervous system and chemical structure of AM-2201, JWH-081, JWH-250, and UR-144 are substantially similar to that of JWH-018.

Not only did NutraGenomics through its owners DREW T. GREEN and THOMAS WILLIAM MALONE, Jr. distribute the Schedule I controlled substance analogues of JWH-018 that included AM-2201, JWH-081, JWH-250, and UR-144 in bulk, but they developed their own synthetic cannabinoid blend that infused the synthetic cannabinoids into a vegetable material that resembled marijuana. They named this product Mr. Miyagi. Mr. Miyagi was packaged in 1 gram, 3 gram, and 10 gram quantities. DREW T. GREEN and THOMAS WILLIAM MALONE, Jr. brought in BOYD ANTHONY BARROW and JOSHUA ESPINOZA to market, manufacture, and sell Mr. Miyagi. The packaging on the exterior of the Mr. Miyagi product stated, "Directions for use: Use contents to refresh scent in the home, drawers, closets, the car, etc. Simply open package and let out our proprietary blend of herbs and botanicals release a warm pleasant aroma that refreshes the air. Warning: Our Potpourri is not for human consumption. Keep out of reach of children and pets. Ingredients: Exotic Blend of Herbs, Plants and Botanicals. As of this printing, this product complies with all U.S. federal laws." The packaging of Mr. Miyagi was designed to be intentionally misleading as to both what was in the product and what the product's intended use was. The Mr. Miyagi product was intended to be ingested/smoked in order to get the consumer high off of the active ingredient, the synthetic cannabinoid. NutraGenomics exclusively supplied BOYD ANTHONY BARROW and JOSHUA ESPINOZA the synthetic cannabinoids used to manufacture Mr. Miyagi. From on or about March 2011, to on or about December 2011, the synthetic cannabinoid used to manufacture Mr. Miyagi was AM-2201. One of the major purchasers of Mr. Miyagi was

RICHARD BUSWELL, the owner of the Curious Goods franchise located in Lafayette, Louisiana.

For purposes of venue, one or more of acts in furtherance of the conspiracy charged in Count 1 of the Superceding Indictment took place in the Western District of Louisiana.



DREW T. GREEN
Defendant



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